



State of Connecticut

HOUSE OF REPRESENTATIVES STATE CAPITOL

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Testimony

In Support of H.B. No. 5516 An Act Adjusting The Prevailing Wage Thresholds

Labor and Public Employees

February 23, 2015

Dear Senator Winfield, Representative Tercyak, Senator Hwang, Representative Rutigliano, and all other distinguished members of the Labor and Public Employees Committee: I would like to thank you for the opportunity to testify in support of House Bill 5516, "An Act Adjusting The Prevailing Wage Thresholds."

Prevailing wage has been around in the State of Connecticut since the beginning of the 1930's. It has been a way to make sure that construction companies, in an effort to get the low price bid for public jobs, did not cut their costs at the expense of their employees' salaries. Prevailing wage ensured that the government did not push skilled, trained and, experienced workers out of the industry in favor of lower cost, lower quality employees.

It is undeniable that infrastructure in towns across our state is showing its age and is in need of repair or replacement. So many of our municipalities are in need of large scale improvements. Leaking roofs in schools need to be replaced. Aging water treatment plants need to be upgraded. Police and fire headquarters are being out grown and our first responders are in need of new facilities.

So many towns are putting off these necessary projects because they cost too much money. Prevailing wage very easily can bring the overall cost of a project well over the budgeted amount. By increasing the minimum thresholds that require a town to pay prevailing wage rates, towns will be able to do more infrastructure improvements and better the quality of life for their residents at a lower overall cost.

In 1991, Connecticut established our current thresholds for prevailing wage rates. \$100,000 for renovations and \$400,000 for new construction. At that time the prevailing wage for general construction was under \$18/hour. The current prevailing wage for general construction is \$31 plus additional pay for benefits. If our thresholds kept up with the rate of inflation they would currently be at \$175,500 for renovations and \$702,000 for new construction. Employee pay has been subject to inflation increases but the thresholds have not been held to the same standards.

I am not recommending we eliminate our prevailing wage laws entirely, but it is time we look to reform these dated thresholds and make them beneficial to municipalities and employees alike. Let's create jobs, create competition, and help all of our municipalities by increasing the minimum thresholds for prevailing wage work.

Thank you all again for allowing me to testify to your committee.

Sincerely,

A handwritten signature in cursive script, reading "Noreen S. Kokoruda", with a long horizontal flourish extending to the right.

Noreen S. Kokoruda
State Representative 101st District